## **Automatic Subscription Renewal Scam**



Free trials for credit monitoring services or gym memberships can be easy to forget – until a hefty renewal charge shows up on a bank or credit card statement.

In the Automatic Subscription Renewal Scam, companies get customers to pay for subscriptions they may not intend to renew by automatically charging their accounts or credit cards.

Businesses may hide in the fine print that a subscription automatically will be renewed unless canceled. They also may up the price after a discount has expired without clearly stating the new amount in advance. Or they may make it difficult for customers to cancel their subscriptions.

A new state law that went into effect July 1, 2018, strengthens consumer protections against automatic subscription renewals. Businesses are required to provide a clear and conspicuous explanation of price changes after free trials or gift offers, get consumers' affirmative consent before charging them for automatic renewals and give information to customers about how to cancel their subscriptions.

To learn about other frauds, visit http://da.lacounty.gov/community/fraud-alerts



## **Helpful Tips**

- Before signing up for a free subscription or membership trial, check out the renewal policy and price.
- If a business fails to clearly and conspicuously disclose that a subscription will be auto-renewed, the consumer is not obligated to pay any auto-renewed charges and may keep for free any products that the business sent to the consumer.
- Dispute unauthorized subscription charges with your bank or credit card company.

IF YOU OR SOMEONE YOU
KNOW HAS BEEN THE
VICTIM OF A SCAM, PLEASE
CONTACT YOUR LOCAL LAW
ENFORCEMENT AGENCY.





http://da.lacounty.gov



